

FISCAL IMPACT STATEMENT ON BILL NO. **S.346**

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TO:	The Honorable David Thomas, Chairman, Senate Banking and Insurance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Kenneth Brown		
DATE:	March 12, 2007	SBD:	2007109

AUTHOR:	Senator Cleary	PRIMARY CODE CITE:	38-75-1500
SUBJECT:	Hurricane Mitigation Program		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

The Bill would establish the South Carolina Hurricane Damage Mitigation Program within the Department of Insurance charged with encouraging home improvement that mitigates the home's hurricane vulnerability, provide free inspections and provides for grants to homeowners who makes a qualified improvement.

EXPLANATION OF IMPACT:

The Department of Insurance indicates that this Bill would require additional General Funds of the State totaling \$280,000. Recurring costs of \$260,000 would cover salary and fringe for Five (5.00) FTE positions, a Program Administrator at \$75,000, a Program Coordinator at \$50,000, an Administrative Assistant at \$25,000 and two Building Inspectors at \$60,000 and operating costs of \$50,000 to create a website, print brochures, grant applications and other documents to educate the public about the grant program, and for travel and subsistence. Nonrecurring costs of \$20,000 would cover office furniture and computers.

Section 38-75-1540 states that the Department shall seek to obtain funds from the federal government to supplement the financial resources of the program. The impact on the General Fund of the State associated with providing funds for the grants program is at the General Assembly's discretion.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget